

## Essential Air Service Reform Act

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### **In Short:**

The *Essential Air Service Reform Act* would modify key provisions of the Essential Air Service program to reduce overall cost of the program, setting it on a more fiscally responsible course.

### **Background:**

The Essential Air Service (EAS) program was created by Congress through the Airline Deregulation Act of 1978 to ensure that small rural communities were still receiving air service after airline deregulation. The program was permanently extended in 1996 and currently assist 175 communities across the United States. EAS requires the Department of Transportation (DOT) to support an airline that completes two round trips a day with a medium sized aircraft or additional trips with small aircraft from a small community to a medium- or large-airport hub.

In 2012, Congress tightened eligibility requirements and limited access to the program to airports already enrolled in the program. Since the reforms were enacted eleven years ago, many small communities have lost access to airspace. By reopening the program for three years, the DOT can help connect these small communities to the rest of the United States.

### **Costs:**

This bill would reduce the overall cost of the EAS program by enacting critical reform measures. This bill would allow the Secretary of Transportation to account for costs when entering into an EAS contract, allowing them to be a better steward of taxpayer dollars. Additionally, the bill removes local politicians from the contracting process and the grandfathering of twin-engine planes that major airlines abuse causing program costs to skyrocket.

### **The Essential Air Service Reform Act:**

This bill would:

- (1) Require the Secretary of Transportation to consider cost when awarding EAS contracts.
- (2) Removes a grandfathered exception for twin-engine planes.
- (3) Remove local politicians from the decision-making process.
- (4) Require the DOT to notify Congress after entering into an EAS contract and provide essential information on the winning bid amount.